IRELAND

Last reviewed: March 24

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0- SYNOPTIC TABLE: TAXATION OF RESIDENTS AND NON-RESIDENTS

	RESIDENTS	NON-RESIDENTS
CORPORATE INCOME TAX	12.5% on trading income 25% on passive income (interest, dividends, etc.)	
TAXES ON CAPITAL GAINS	33%	
WITHHOLDING TAXES		
Dividends	Exempt	12.5%, 25%
Interest	Exempt if paid to banks and building societies	
Royalties	Esempt in Ireland	
PERSONAL INCOME TAX	20% - 40%	Non-residents taxed on Irish income
OTHER TAXES		
Tax on gambling	2% on bets	
Stamp duty	From 1% to 7.5%	
VAT	9%, 13.5%, 23%. Exports exempt	
LOSSES		
Carried forward	Applied	
Carried back	Applied	
DEPRECIATION		
Plants and machinery	12.5%	
Industrial buildings	4%	
Hotels	4%	

1- AN OUTLINE OF COMPANY LAW

BUSINESS ENTITY	MAIN TRAITS	FORMATION	GOVERNANCE
Private limited companies	The majority of companies registered at the Companies Registration Office are private companies limited by shares. A private limited company is a company which has a share capital, at least one director and a secretary, and under its Articles: restricts the right to transfer its shares, limits the number of members to 149, not including persons who are in the employment of the company, and prohibits any invitation to the public to subscribe for any shares or debentures of the company.	A private limited company may be a single member company. These companies are popular due to a number of factors including the fact that a shareholder's liability is limited to what they have subscribed for their shares in the company.	A private limited company is subject to less stringent legal requirements than a public limited company
Public limited companies	A public company may be limited by shares if it has at least one member. This kind of company has access to capital markets and may offer its shares for sale through the Irish Stock Exchange.		
Companies limited by guarantee	Limited liability companies are usually charitable or non-profit organizations. They generally have a low commercial risk and can only be established without share capital. This type of company can be formed by one or more partners who, in fact, are the guarantors. A guarantor undertakes to contribute with a nominal amount, usually quite small, to the eventual liquidation of the company.		
Unlimited companies	An unlimited liability company is subject to the same rules as a public limited company regarding its ability to conclude transactions and take on responsibilities. Unlike a limited liability company, members of an unlimited company are required to give their personal assets to fulfill their obligations in the event of insolvency, i.e. there is no limit to their liability.		
Branches	The Irish branch of a foreign company must be registered with the Trade Register as an "Branch EEA" or "Branch Non-EEA".	The branch must be registered with the Register of Companies and is required at all times to have a person resident in Ireland who is authorized to receive formal documents.	A foreign company operating in Ireland through a branch must file its annual accounts with the Register of Companies
Partnerships	A partnership is a relationship between people who carry out a common business with the intent of making a profit. It is not a separate legal entity. The shareholders are jointly and severally liable for any debts of the company and usually take an active part in the business. It is possible to set up a limited liability partnership (LP), where the limited partners may limit their liability to the amounts of their contribution to the partnership, they cannot participate in the management of the company or enter into binding contracts on behalf of the company.	A partnership can be formed by simple agreement, without substantial formation expenses.	There must be at least one general partner - which can be a legal person - who has unlimited liability.

BUSINESS ENTITY	MAIN TRAITS	FORMATION	GOVERNANCE
Unit trusts/undertakings for collective instment in transferable securities (UCITs)	A unit trust is a collective investment undertaking in which investors hold units in a trust. Trustees can redeem a unit holder's shares in exchange for the investor's proportional share of the assets held by the unit trust. A UCITS (undertaking for collective investment in transferable securities) can be an authorized unit trust, an investment company with fixed capital, or an investment company with reduced capital.		
Real estate investment trusts (REITs)	REITs are intended to attract foreign investment in the property market. An REIT must be resident in Ireland for tax purposes, not be a closely held company, be listed on a major EU / EEA stock market, be free of taxation on income and gains, and meet certain relevant minimum criteria. Shareholders of REITs are generally subject to tax on investment gains and income.		
Irish real estate fund (IREF)	The Finance Act 2016 introduced a new tax regime for certain Irish regulated funds that invest in real estate and similar businesses. An Irish real estate fund (IREF) is an investment company whose market value derives mainly from Irish land and similar assets.		
Sole proprietorships	It is an individual who owns and manages a business in which a single owner has direct access to profits, has total control of the business but is also subject to unlimited liability. All the assets and liabilities of the company fall on the sole owner. Creditors can claim all assets of the sole owner (not just business assets) in order to satisfy any outstanding claims against the company.		

2- WHEN IRISH COMPANIES CAN BE CONSIDERED RESIDENT OR NON-RESIDENT?

From 1 January 2015, a company incorporated in Ireland is treated as Irish tax resident unless it is resident in a jurisdiction that has concluded a tax treaty with Ireland. This eliminates the ability of companies to use the so-called “double Irish” tax minimisation arrangement.
For companies incorporated prior to 1 January 2015, this residency rule applies from the earlier of 1 January 2021.
A company is also treated as an Irish tax resident if it is managed and controlled in Ireland, irrespective of where it is incorporated.
Before 1 January 2015, a company was deemed to be resident if it was incorporated in, or managed and controlled from, Ireland.

3- BUSINESS AND NON-BUSINESS ACTIVITIES (ADMINISTRATIVE OFFICES, LIAISON OFFICES, PURCHASING OFFICES, ETC.)

Ireland is a strategic location for both international and EU based operations of foreign businesses. Activities of the administrative or liaison office carried out in Ireland will not be subject to Irish tax provided major decisions are not made at this office and that the office does not engage in any form of trading in Ireland.

As a general rule, most of the double taxation treaties between Ireland and other countries provide that an Irish office of an overseas entity used for buying goods, collecting information or advertising products will not constitute a taxable branch of the overseas entity that it represents in Ireland.

4- WHICH FOREIGN LOCAL UNITS CAN BE OPENED IN IRELAND: SECONDARY ESTABLISHMENTS, BRANCHES, SUBSIDIARIES OR PERMANENT ESTABLISHMENTS?

The taxable trading profits and capital gains of an Irish branch of a non-resident company are generally calculated on the same basis and are subject to the same tax rates as an Irish resident company. Ireland's double taxation agreements may further limit the scope to which an Irish branch of a non-resident company is liable to Irish tax, if the foreign company does not have a PE in Ireland.

In Ireland, a permanent establishment is defined as a branch, management, factory or other fixed place of business. A permanent establishment does not include an agency unless the agent has, and habitually exercises, a general authority to negotiate and conclude contracts on behalf of a non-resident, or has a stock of merchandise from which orders are regularly fulfilled on behalf of a non-resident.

5- CALCULATING TAXABLE INCOME

Profits are calculated for Irish tax purposes by reference to the profits reported in the financial accounts, which may be prepared in accordance with Irish accounting principles or in accordance with the International Financial Reporting Standards (IFRS).

Profit is calculated by reference to the income of a company less its expenditures.

Among non-deductible items, there are: expenditures not wholly and exclusively incurred for trading purposes (such as certain charitable donations), expenditure incurred for domestic or private purposes or the maintenance of the parties or their families or establishments, client entertainment and gifts made to clients, expenditure on capital items, any capital used to improve the premises from which the trade or profession of the company is conducted, general reserves and provisions, debts, losses arising from activities not related to the trade or profession of the company.

The following items are deductible: salary and all staff costs, including club membership fees treated as salary (although there are limited circumstances where full salary costs are not deductible), a portion of expenditure on domestic office or residential property rent (the amount that can be deducted will be determined by the tax inspector and can only relate to the portion of the property used for trade or professional purposes), foreign exchange losses and gains arising from trading items such as trade debts, research and development expenditure.

Motor vehicle leasing expenses in respect of cars costing in excess of certain limits are restricted for Irish tax purposes.

6- TREATMENT OF LOSSES

For Irish tax purposes, losses generated from trading activities may be offset against other trading income. Losses generated from residential development land may be offset against other income subject to certain conditions.

Where there is a more than 50% change in a company’s ownership, coupled with a change in its trade, or its customers or markets, loss carry-forward will be denied.

Special rules apply to losses generated from petroleum activities.

The loss can be carried forward indefinitely provided the company continues to carry on the same trade.

7- IS INTEREST DEDUCTIBLE?

For Irish tax purposes, interest incurred wholly and exclusively for the purposes of a trade is generally deductible on an accounts basis. However, certain limited types of interest are deductible only on a paid basis. Special rules apply for interest payments connected with petroleum activities

From 1 January 2022, the deduction for interest expenses is limited to the higher of 30% of EBITDA (earnings before interest, taxes, depreciation and amortisation) or €1 million per year.

Interest paid by an Irish company to a non-resident company of which the Irish company is a 75% subsidiary or associate is treated as a distribution, and, therefore, is not deductible as a trading expense. However, such interest will not be deemed a distribution if the recipient is a tax resident in an EU member state or a treaty country and where the paying company elects for distribution treatment not to apply.

8- IS DEPRECIATION DEDUCTIBILITY ACKNOWLEDGED?

Ireland gives capital allowances for depreciation of equipment and other assets purchased by an Irish company and its foreign branches, and by an Irish branch of a non-resident company.

Ireland allows an annual allowance of 12.5% on a straight-line basis for 8 years for expenditures incurred on plant, machinery, equipment, commercial vehicles and cars.

Taxpayers may claim a 4% annual allowance based on the cost of the building over a 25-year period.

Trading companies are entitled to claim capital allowances in line with the depreciation charge for accounting purposes on specified intangible assets. These assets include patents, registered designs, design rights or invention, trade marks, and copyrights. Alternatively, a company can elect to claim capital allowances over 15 years on expenditure on these assets: 7% for the first 14 years and 2% from year 15.

This scheme applies to expenditure incurred by a company after 7 May 2009.

Under Irish tax law, a 100% capital allowance is available for capital expenditure incurred on production and development costs. Petroleum companies are permitted to claim a tax deduction for such expenditure, for both successful and abortive exploration expenditures and abandonment expenditures.

9- WHAT TAX TREATMENT IS APPLIED TO RESIDENT COMPANIES?

For the 2024 tax year, Irish resident companies and branches of foreign companies operating in Ireland are liable for corporate tax at the following rates:

Type of income	***Tax rate %***
Trading and professional income and certain foreign dividends from trading sources	12.5
Passive income including interest, foreign dividends and rental income	25
Dealing in land	25
Petroleum activities	25
Mining and mineral extraction	25

These rates have been in force in Ireland since 1 January 2003.

A partnership is not a taxable entity in Ireland; instead the partners in the partnership are taxable on profits earned by the partnership. Partners who are companies are taxable at corporate tax rates, whereas partners who are individuals are subject to income tax.

Real estate investment trusts (REITs) are free of taxation on income and gains. Dividend withholding tax is payable under the same rules as for other companies.
Shareholders of REITs are generally liable for tax on gains and income from investments in REITs under the normal rules.
Stamp duty is payable at the normal rate of 1% by the transferee on the sale of shares in an REIT.

10- ARE GROUP COMPANIES CONSIDERED SINGLE COMPANIES FOR FISCAL PURPOSES?

Ireland has provisions that allow various tax-free transactions between members of a corporate group. Corporate income tax, capital gains tax and stamp duty are different taxes and have different rules for determining what constitutes a company group.
There is a requirement to deduct withholding tax on certain payments made by companies, including annual interest and patent royalties, except on payments between companies in a 51% group relationship
For the purposes of capital gains and corporate income tax losses, two companies are deemed to be members of a group if one is a 75% subsidiary of the other or both are 75% subsidiaries of a third company.
No duty is charged on a transfer of assets from one group company to another if there is a 90% relationship between the two companies.

11- WHAT TAX TREATMENT IS APPLIED TO FOREIGN LOCAL UNITS AND NON-RESIDENT COMPANIES?

Non-residents are generally taxed only on their Irish source trading income. However, a non-resident's liability to Irish capital gains tax (CGT) is dependent on whether the capital gain is in respect of specified Irish assets.
A non-resident's Irish source passive income, including dividends, interest and royalties, is generally only subject to withholding tax, which must be withheld on the amount to be paid and remitted to the Revenue Commissioners.
Companies registered in Ireland, but with management and control from a country in the EU or with which Ireland has a tax treaty, are subject to Irish taxation if they are not taxable in the other country because they are not registered there.
For the 2024 tax year, branches of foreign companies operating in Ireland are liable for corporate tax at the same rates as Irish resident companies:

Type of income	***Tax rate %***
Trading and professional income and certain foreign dividends from trading sources	12.5
Passive income including interest, foreign dividends and rental income	25
Dealing in land	25
Petroleum activities	25
Mining and mineral extraction	25

12- ARE CAPITAL GAINS TAXED?

Under Irish tax law, capital gains are taxable at a rate of 33%, with the exception of foreign life assurance policies and offshore distributing funds which are taxed at a rate of 40%.
The first €1,270 of gains is exempt.

Irish residents are subject to capital gains tax (CGT) on their worldwide capital gains, generally at a rate of 33%. Non-residents are liable to Irish CGT on capital gains arising from the disposal of certain Irish assets.

13- WHAT TAX TREATMENT IS APPLIED IN CASE OF COMPANY LIQUIDATION?

Irish dividend withholding tax (DWT) does not apply to distributions during the course of liquidation.

A distribution in liquidation is treated as a capital distribution to shareholders, attracting capital gains tax (CGT), but not income tax, in the shareholders' hands. The same result occurs if the shareholder is a parent company of the liquidated subsidiary.

In the case of a foreign parent company where a capital gain is realised, no Irish CGT liability will arise unless the assets are specified assets

14- TRANSFER OR REPURCHASE OF SHARES: HOW ARE THEY TAXED?

For Irish tax purposes, a reduction of capital is treated as a dividend to the extent it exceeds contributions paid into the company.

In certain circumstances, an Irish company may repurchase its own shares without the amount paid in excess of contributions being treated as a dividend.

The main conditions to be met in order for a repurchase to escape dividend treatment are as follows:

1. the company must be unquoted
2. the company must be a trading company or a member of a trading group where its trade does not include dealing in shares, securities, land, futures or traded options
3. the purchase must be made for the purpose of benefiting a trade carried on by the company
4. the shareholder must be resident or ordinarily resident in Ireland for the year of assessment in which the purchase occurs.

15- WHAT OTHER TAXES ARE APPLIED IN IRELAND?

VAT

The 23% standard rate applies to the supply of all goods and services, unless a zero rate of VAT, reduced rate (13.5%, 9%) or a VAT exemption applies. The normal VAT rate applies to the import of goods into Ireland.

A zero rate also applies to most exports of goods and services relating to exports of goods; oral medicine; fertilisers; most articles of personal clothing and footwear suitable for children under 11 years of age; certain books and booklets; certain medical equipment and appliances; and certain navigation services.

Finance (No.2) Act 2023 has further extended the temporary application of the 9% rate of VAT to the supply of electricity and gas (which is ordinarily subject to the 13.5% rate) until 31 October 2024.

Stamp duty

Stamp duty is payable on the transfer of Irish properties and shares in Irish incorporated companies at rates between 1% and 7.5%.

Payroll taxes

Payroll taxes are paid by both employers and employees. Employers pay 8.8% pay-related social insurance (PRSI) on earnings up to €441 per week and 11.15% PRSI on earnings over that amount, with no earnings ceiling.

Special reduced rates apply for low-paid employees. Most employees are subject to 41% PRSI on all earnings for 2024.

All employed and self-employed Irish-resident individuals are subject to the universal social charge (USC) if their annual income exceeds €13,000 for 2024, with rates from 0% to 8% for employees and from 0% to 11% for self-employed. These rates only apply to individuals under 70.

Withholding tax on gambling winnings

Betting duty of 2% is charged on bets placed with a bookmaker, including remote and online bets. A licence is required to accept remote or online bets. On-course betting is exempt.

Environmental taxes

Ireland levies a variety of environmental taxes. It imposes a €0.22 levy for every plastic bag supplied by a retailer, and a landfill tax of €75 per ton of waste sent to a landfill. Moreover, government policy requires local authorities to recover the cost of providing water services from the users of water services with the exception of households using the services for domestic purposes.

Ireland also charges an excise duty on supplies of electricity. The charge is EUR1 per megawatt hour. Household use of electricity and electricity from renewable sources are exempt from this excise duty.

Tax on insurance premiums

Policies of insurance other than life insurance are subject to stamp duty of €1 per policy, where the risk to which the policy relates is located in Ireland. The assignment of insurance or life insurance policies is subject to stamp duty at 0.1% of the amount of the consideration, where the risk to which the policy relates is located in Ireland.

Excise tax

Ireland imposes an excise tax on specialty consumer goods such as manufactured tobacco, alcohol, alcoholic beverages and mineral oils. The rates vary depending on the description of the product and the quantity of the product.

Taxes on motor vehicles

All vehicles are subject to a vehicle registration tax (VRT) on acquisition. Local authorities also levy an annual motor tax. Motor vehicles are categorised according to their level of CO emissions for purposes of VRT. Electric vehicles qualify for a remission/repayment of VRT up to a maximum of €5,000 until 31 December 2025 (subject to conditions).

Carbon Tax

A carbon charge of €48.50 per tonne of carbon applies to mineral oil, aviation gasoline and heavy oil. A carbon charge of €560 per tonne of carbon applies to petrol and auto diesel.

Real estate taxes

Local authorities tax the occupier of commercial property in Ireland based on the rateable value of real estate. The rateable value is the value of the property as determined by the Valuation Office.

Local property tax (LPT) is payable each year on the market value of non-commercial residential and rented properties by the owner on a self-assessment basis.

Domicile levy

A domicile levy of €200,000 per annum is charged on an individual who is Irish domiciled in any tax year, where all of the following conditions are met:

- their worldwide income exceeds €1 million
- their Irish located property is valued at greater than €5 million
- their liability to Irish income tax is less than €200,000.

Bank levy

An annual levy on financial institutions applies until 31 December 2024. For 2024, the levy is equivalent to 308% of the deposit interest retention tax (DIRT) withheld and paid to the Revenue Commissioners in 2019. The levy is not a deductible expense for corporation tax purposes.

16- DIVIDENDS, INTEREST AND ROYALTIES: HOW ARE THEY CONSIDERED AND TAXED?

Dividends

Tax at a rate of 25% is deducted from dividends.

In many cases the withholding tax rate can be reduced to nil where annual interest, dividends and patent royalties are payable to non-Irish companies based in the EU or countries with which Ireland has a double taxation agreement.

Interest

Tax at the standard income tax rate of 20% is deducted at the source from annual interest.

In many cases the withholding tax rate can be reduced to nil where annual interest, dividends and patent royalties are payable to non-Irish companies based in the EU or countries with which Ireland has a double taxation agreement.

Irish banks and building societies may pay interest to foreign companies free of tax provided the appropriate non-resident declaration is made prior to the interest becoming payable. Companies providing certain financial services to non-Irish residents from within the International Financial Services Centre in Dublin (the IFSC, or sometimes referred to as the Custom House area) are not subject to withholding tax on interest payments.

Royalties

Tax at the standard income tax rate of 20% is deducted at the source from patent royalties.

In many cases the withholding tax rate can be reduced to nil where annual interest, dividends and patent royalties are payable to non-Irish companies based in the EU or countries with which Ireland has a double taxation agreement.

Payment of royalties to foreign companies for copyright, trademarks, franchising and know-how are exempt from withholding tax in Ireland.

17- HOW ARE CALCULATED STOCKS OR INVENTORIES?

Stocks and work in progress are valued at the lower of cost or net realisable value, on a FIFO basis.

18- HOW ARE RESIDENT INDIVIDUALS TAXED?

Tax liability criteria

Tax residence is the primary determinant of Irish tax liability.

Residents who are domiciled in Ireland are subject to tax on their worldwide income and capital gains. Residents who are not domiciled in Ireland are subject to tax, firstly on their Irish and United Kingdom income, and secondly on foreign income that is remitted to Ireland. Non-residents are subject to tax only on Irish sourced income and profits from the disposal of certain Irish assets.

An individual is deemed to be resident in Ireland if either he/she spends 183 days or more in Ireland during that tax year, or he/she has spent 280 days or more in Ireland in that year and in the previous year taken together.

Liability to Irish tax is also affected by “ordinary residence”: an individual who has been resident in Ireland for 3 consecutive tax years becomes ordinarily resident at the beginning of the fourth tax year or an individual who has been ordinarily resident ceases to be ordinarily resident at the end of the third consecutive year in which the individual is not resident.

Tax rates

The rates of income tax applying to resident individuals for 2024 are as follows:

Single (no children)	*Single (with children)*	*Married/civil partnership (jointly assessed, one earner)*	*Married/civil partnership (jointly assessed, two earners)*	*Tax rate*
First € 42,000	First € 46,000	First € 51,000	First € 84,000	20 %
Balance	Balance	Balance	Balance	40 %

Main deductions and reliefs

Irish-resident married couples or civil partnerships can opt for both joint and separate assessment.

There are no Irish tax credits given for children unless they are mentally or physically incapacitated: in that case the tax credit is €3,500 for 2024.

Where a partner remains at home to care for a dependent person who resides with them (or a relative who lives nearby), a home carer tax credit of €1,800 in 2024 can be claimed.

Where a child-minder takes care of up to 3 children in their home, any income received will be exempt from Irish tax provided their childcare income does not exceed €15,000 per annum.

Apart from the matters referred to above, Ireland does not grant any significant family tax relief.

Inheritance and gift tax

There is a single rate of tax of 33% for gifts and inheritances.

Inheritance tax is imposed on inheritances of any property situated in Ireland or property anywhere if either the donor or recipient was resident, or ordinarily resident, at the date of the inheritance. The domicile of the donor or recipient is not relevant except for the purposes of double taxation agreements.

Thresholds apply to inheritances from different sources. Inheritances received from a spouse or civil partner are not taxed.

Pension, social security and national health policy

Ireland’s Tax Acts provide various ways in which tax relief may be obtained on contributions during an individual’s working life to a pension or retirement annuity fund. The object is to encourage employers, employees and self-employed individuals to set aside funds during their earning lives to provide retirement benefits.

All Irish residents are entitled to certain basic health care services, including hospital treatment. A small daily charge is made except in the case of people who hold medical cards, which entitle to medical services free of charge.

19- HOW ARE FOREIGN INDIVIDUALS TAXED? WHEN ARE THEY CONSIDERED RESIDENT?

Tax liability criteria

Tax residence is the primary determinant of Irish tax liability.

Residents who are domiciled in Ireland are subject to tax on their worldwide income and capital gains. Residents who are not domiciled in Ireland are subject to tax, firstly on their Irish and United Kingdom income, and secondly on foreign income that is remitted to Ireland. Non-residents are subject to tax only on Irish sourced income and profits from the disposal of certain Irish assets.

An individual is deemed to be resident in Ireland if either he/she spends 183 days or more in Ireland during that tax year, or he/she has spent 280 days or more in Ireland in that year and in the previous year taken together.

Liability to Irish tax is also affected by "ordinary residence": an individual who has been resident in Ireland for 3 consecutive tax years becomes ordinarily resident at the beginning of the fourth tax year or an individual who has been ordinarily resident ceases to be ordinarily resident at the end of the third consecutive year in which the individual is not resident.

Tax rates

Non-resident individuals are only liable to Irish income tax at higher rates if they are taxable in their own right. If a non-resident individual is taxable in a representative capacity (eg as trustee of a settlement or executor of a deceased person's will) they will only be taxed at the standard rate.

A non-resident individual who is taxable in their own right is charged to tax at the rates applicable to a single person without children. The non-resident is taxable on all Irish-sourced income except where there is a specific exemption in law (eg interest on certain government securities) or where a tax treaty provides that a certain category of income is to be taxed only in their country of residence.

Normally non-residents are not entitled to the tax credits granted to residents. There are some specific exceptions to this rule.

Main deductions and reliefs

Joint assessment is not available to non-residents unless all the income of both partners is chargeable to Irish tax.

Where a child-minder takes care of up to 3 children in their home, any income received will be exempt from Irish tax provided their childcare income does not exceed €15,000 per annum.

Apart from the matters referred to above, Ireland does not grant any significant family tax relief.

Inheritance and gift tax

Recipients who are neither resident nor ordinarily resident are liable to inheritance tax only if the disponer was resident or ordinarily resident in Ireland, or if the property was situated in Ireland.

Pension, social security and national health policy

Broadly, non-resident employees subject to Irish tax will receive the same benefits as Irish residents for contributions to Irish pension funds. No special rules apply to non-residents.

Irish health benefits are largely confined to residents.

Basic medical treatment would be given free to visitors from other EU countries.

20- TERMS FOR TAX PAYMENTS: THE FISCAL YEAR IN IRELAND

The Irish tax year extends from 1 January to 31 December.

A company's tax year is based on its financial accounting period and not on the Irish tax year. An individual's tax liability in respect of business or trade income is based on the accounts of the trade/business for the 12-month period ending in the relevant tax year. The due date for payment of 90% of the corporate tax due for a particular year is one month prior to the end of the accounting period.

A small company (ie a company whose corporate tax in the preceding period did not exceed €200,000) may base its preliminary tax payment on 100% of the company's corporate tax liability for the preceding period.

If a company's tax liability in the preceding accounting period was greater than €200,000, its preliminary tax is payable in 3 instalments.

A company must file its tax return electronically via ROS (Revenue Online Service) by the 23rd day of the ninth month after the end of its accounting period, and pay the balance of any tax due.

The Irish tax authorities charge interest on late payment of taxes at the rate of 0.0219% per day.

On late submission of a corporate tax return, a surcharge of 10% (subject to a cap of €63,485) of the company's corporate tax liability applies. The surcharge is reduced to 5% (subject to a cap of €12,695), if the return is filed within 2 months of the due date.
The surcharge and interest are not deductible for tax purposes.

21- WHAT TAX INSPECTIONS ARE MADE?
Ireland's Revenue Commissioners carry out random audits on the books and records of taxpayers.
Taxpayers must keep records for a period of six years from the date of delivery of the tax return.
The Irish statute of limitations on tax audits is four years from the date a taxpayer files their return. There is no time limit in the case of fraud.

22- CAN TAXPAYERS AGREE IN ADVANCE THEIR TAX TREATMENT?
In general, the Irish Revenue Commissioners will not give an advance ruling on the tax effect of a proposed transaction prior to its implementation. However, there are a number of specific transactions in respect of which advance clearances or consents may be obtained such as complex issues arising on corporate restructurings of the issuing of shares.

23- WHAT EXCHANGE CONTROLS ARE CARRIED OUT?
Although there are no exchange controls, a person who enters or leaves the EU via Ireland must make a declaration to the Irish customs authorities, if they are carrying €10,000 or more in cash (or its equivalent in other currencies or easily convertible assets such as non-crossed cheques).

24- WHAT TAX RELIEFS AND INCENTIVES ARE GRANTED BY THE IRISH GOVERNMENT?
Enterprise Zones
In Ireland, a Free Zone exists in the Shannon area. Incentives originally included a reduced corporation tax of 10% and exemptions from customs duty. However, the reduced corporation tax was abolished in 2003, and trading profits are now subject to a 12.5% tax rate. The Shannon Free Zone ceased to exist for customs purposes in May 2016.
Reasearch and development
A company that carries on a trade in Ireland and carries out research and development (R&D) activities in Ireland or in an EEA country may claim a tax credit of 30% of qualifying R&D expenditure. The 30% credit is in addition to the tax deduction to which the company is entitled in respect of the expenditure incurred. The credit is therefore worth up to 42.5% of the R&D cost (30% tax credit plus 12.5% tax saving).
An additional credit is available for costs related to the construction and refurbishment of buildings, if at least 35% of these are used for R&D activities over a period of at least 4 years. The credit is equal to 25% of the expenditure directly related to the proportion dedicated to R&D.
Any unused credit may be carried forward indefinitely. Companies are able to choose whether to account for the R&D tax credit above or below the line.
It is possible to carry back any unused R&D tax credits to reduce the corporate tax charge of the preceding period. Any excess still remaining may be paid to the company in three instalments. However, the refund is subject to certain limits.
Start-up companies relief
Start-up companies incorporated after 14 October 2008 and which commence trading during the years 2009 to 2026 are exempt from Irish corporate tax (including capital gains on the disposal of any assets used for the purposes of a new trade) for the first 5 years of trade (3

years if the company commenced trading before 1 January 2018), provided their corporate tax liability for the year does not exceed €40,000.

Companies may carry forward any unused tax exemptions under the start-up companies relief scheme after the first 5 years of trade (3 years for companies that commenced trading before 1 January 2018) to reduce future tax liability.

Intangible assets

Irish trading companies are entitled to claim capital allowances in line with the depreciation charge for accounting purposes on specified intangible assets. These assets include patents, registered designs, design rights or invention, trademarks, and copyrights. Alternatively, a company can elect to claim capital allowances over 15 years on expenditure on these assets.

Where certain intangible assets (principally intellectual property) are sold or cease to be used for business purposes within five years of acquisition, all capital allowances claimed (including in past years) will be lost.

Lower tax rates for intellectual property income

For accounting periods beginning on or after 1 January 2016 and before 1 January 2027, companies may separate out income arising from intellectual property (IP) and pay a lower tax rate on this income. This "knowledge development box" is similar to the patent box regime in the UK and provides for an effective tax rate of 10% applied to qualifying IP income from both patented and pending patent inventions and copyrighted software to the extent that it relates to R&D activities carried out by the company.

Investment in renewable energy

Companies may claim a deduction against total profits in respect of investment in the ordinary share capital of an Irish incorporated and resident company which exists solely for the purpose of undertaking a qualifying energy project in one of the following technologies: solar power, wind power, hydropower or biomass.

The shares must be held for at least 5 years.

Energy efficient equipment

Until 31 December 2025, an Irish company is entitled to claim a 100% capital allowance in the first year where it purchases new (and not second hand) energy efficient equipment, as specified by the Irish Minister for Communications, Energy and Natural Resources, for the purposes of its trade.

Film production

An Irish tax credit is available to film production companies until 31 December 2028. The tax credit is granted per project at a rate of 32% of the lowest of: eligible expenditure, 80% of the total cost of production of the film, or €125 million.

Grants

Grants may be available to Irish companies and to overseas companies setting up operations in Ireland. The level of grants available is dependent on the location of the project and includes: capital grants, employment grants, grants for research and development activities and training grants.

Petroleum taxation

Special incentives and rules apply to petroleum exploration and activities.

Special assignee relief program

The special assignee relief program (SARP) was introduced to encourage international investment in Ireland by reducing the employment costs of businesses.

Certain non-domiciled individuals taking up residence in Ireland up to the end of 2025 are entitled to 30% relief on tax for earnings over €100,000 and up to €1 milion for the first 5 years of residency, subject to certain conditions.

Foreign earnings deduction (FED)

For the 2012 to 2025 tax years, employees and directors who carry out part of their duties in Brazil, Russia, India, China and South Africa are exempt from Irish tax on up to €35,000 of

income. In the following years, the relief was also extended to employees and directors who spend significant amounts of time working in Algeria, the Democratic Republic of Congo, Egypt, Ghana, Kenya, Nigeria, Senegal, Tanzania, Bahrain, Chile, Indonesia, Japan, Kuwait, Malaysia, Mexico, Oman, Qatar, Saudi Arabia, Singapore, South Korea, Thailand, the United Arab Emirates, Vietnam, Colombia and Pakistan.
The basic condition for entitlement to the FED is that, within a period of 12 months, the employee or director has worked in one or more of the relevant countries for a minimum period of 30 days.

Digital games

A corporation tax credit is available to digital games development companies from 1 January 2023 until 31 December 2025. The tax credit is restricted to 32% of the lowest of eligible expenditure, 80% of the total cost of the design, production and testing of the digital game or EUR25 million.

25 – HAS IRELAND SIGNED BILATERAL TAX AGREEMENTS WITH OTHER COUNTRIES? TABLE OF WITHHOLDING TAXES

Ireland has concluded tax treaties with a number of countries which specify the withholding tax rates that apply. Non-treaty withholding tax rates apply when they are lower than the rate specified in the treaty.
The following rates of Irish withholding tax apply to non-resident entities:

	Dividends %	*Interest* %	*Royalties* %
Non-treaty countries	25	20	20
Treaty countries			
Albania	0/5/10	0/7	7
Armenia	0/5/15	0/5/10	5
Australia	0	10	10
Austria	0	0	0
Bahrain	0	0	0
Belarus	0/5/10	0/5	5
Belgium	0	0/15	0
Bosnia and Herzegovina	0	0	0
Botswana	0/5	0/7.5	5/7.5
Bulgaria	0/5/10	0/5	0/10
Canada	5/15	0/10	0/10
Chile	5/15	4/15	2/10
China	5/10	0/10	6/10
Croatia	5/10	0	10
Cyprus	0	0	0/5
Czech Republic	0/5/15	0	0/10
Denmark	0	0	0
Egypt	5/10	0/10	10
Estonia	0/5/15	0/10	0/5/10
Ethiopia	5	0/5	5
Finland	0	0	0
France	0	0	0
Georgia	0/5/10	0	0
Germany	0/5/15	0	0
Greece	0/5/15	0/5	0/5
Hong Kong	0	0/10	3
Hungary	0/5/15	0	0
Iceland	5/15	0	0/10
India	10	0/10	10

Israel	0	5/10	10
Italy	0	0/10	0
Japan	0	10	10
Kazakhstan	5/15	0/10	10
Korea	0	0	0
Kuwait	0	0	5
Latvia	0/5/15	0/10	0/5/10
Lithuania	0/5/15	0/10	0/5/10
Luxembourg	0	0	0
Macedonia	0/5/10	0	0
Malaysia	10	0/10	8
Malta	0/5/15	0	0/5
Mexico	5/10	0/5/10	10
Moldova	5/10	0/5	5
Montenegro	0/5/10	0/10	5/10
Morocco	6/10	0/10	10
Netherlands	0/15	0	0
New Zealand	0	10	10
Norway	0/5/15	0	0
Pakistan	5/10	0/10	10
Panama	5	0/5	5
Poland	0/15	0/10	0/10
Portugal	0/15	0/15	0/10
Qatar	0	0	5
Romania	0/3	0/3	0/3
Russia	10	0	0
Saudi Arabia	0/5	0	5/8
Serbia	5/10	0/10	5/10
Singapore	0	0/5	5
Slovak Republic	0/10	0	0/10
Slovenia	0/5/15	0/5	0/5
South Africa	5/10	0	0
Spain	0	0	0/5/8/10
Sweden	0	0	0
Switzerland	0/15	0	0
Thailand	10	0/10/15	5/10/15
Turkey	5/15	10/15	10
Ukraine	5/15	0/5/10	5/10
United Arab Emirates	0	0	0
United Kingdom	5/15	0	0
United States	5/15	0	0
Uzbekistan	5/10	5	5
Vietnam	5/10	0/10	5/10/15
Zambia	7.5	0/10	10

Ireland has signed TIEAs based on the OECD model convention with: Anguilla, Antigua and Barbuda, Argentina, Bahamas, Belize, Bermuda, British Virgin Islands, Cayman Islands, Cook Islands, Marshall Islands, Turks and Caicos, Dominica, Gibraltar, Grenada, Guernsey, Isle of Man, Jersey, Liechtenstein, Monserrat, Saint Kitts & Nevis, Saint Lucia, Saint Vincent and Grenadines, Samoa, San Marino and Vanuatu.